

111TH CONGRESS
1ST SESSION

H. R. 2211

To facilitate planning, construction, and operation of a secure national clean energy grid.

IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2009

Mr. INSLEE introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To facilitate planning, construction, and operation of a secure national clean energy grid.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Clean Energy
5 Superhighways Act of 2009”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

8 (1) electricity produced from renewable re-
9 sources helps to reduce greenhouse gas emissions,
10 and limits emissions of other pollutants regulated

1 pursuant to the Clean Air Act, enhances national
2 clean energy superhighway, and provides substantial
3 economic benefits;

4 (2) the lack of adequate electric transmission
5 capacity is one of the primary obstacles to the devel-
6 opment of electric generation facilities fueled by re-
7 newable energy resources;

8 (3) it is in the national interest for the Federal
9 Government to implement policies that will enhance
10 the amount of electric transmission capacity avail-
11 able to take full advantage of the Nation's renewable
12 energy resources to generate electricity; and

13 (4) existing transmission planning processes are
14 fragmented across many jurisdictions, which results
15 in difficult coordination between jurisdictions, delays
16 in implementation of plans, and complex negotia-
17 tions on sharing of costs.

18 **SEC. 3. PURPOSES.**

19 The purposes of this Act are the following:

20 (1) In order to increase the production of elec-
21 tricity from renewable energy, to enhance the per-
22 formance and efficiency of the Nation's electric
23 power network, and to improve its security and reli-
24 ability, it is the purpose of this Act to facilitate the
25 establishment of a sustainable transmission grid con-

sisting of long-distance, extra-high voltage transmission lines constructed to cost effectively deliver remote clean energy generation resources to markets while improving system efficiency and reliability, and such additional transmission lines as are needed to connect renewable energy generators into this extra-high voltage grid.

(2) To facilitate the widespread deployment of modern grid technology as part of the national infrastructure for electricity transmission, in order to support improved electricity grid operation and control, enhance grid reliability and integration of renewable generation resources, and support the deployment of new technologies.

TITLE I—SUSTAINABLE TRANSMISSION GRID

SEC. 101. PLANNING, CONSTRUCTION, AND OPERATION OF SUSTAINABLE TRANSMISSION GRID.

(a) AMENDMENT OF FEDERAL POWER ACT.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding after section 216 the following new section:

“SEC. 216A. SUSTAINABLE TRANSMISSION GRID.

“(a) DEFINITIONS.—For purposes of this section:

1 “(1) STG.—The term ‘STG’ means the sus-
2 tainable transmission grid.

3 “(2) STG PROJECT.—The term ‘STG project’
4 means a project designated in an STG plan to con-
5 struct an STG transmission line on a new or exist-
6 ing right-of-way after the date of enactment of this
7 section.

8 “(3) STG PLAN.—The term ‘STG plan’ means
9 a transmission plan accepted or prescribed by the
10 Commission under subsection (b).

11 “(4) STG TRANSMISSION LINE.—The term
12 ‘STG transmission line’ means an overhead or un-
13 derground transmission facility included in an STG
14 plan, consisting of conductors or cables, towers,
15 manhole duct systems, phase-shifting transformers,
16 reactors, capacitors, substations, inverters, switching
17 units, and any related facilities and equipment nec-
18 essary for the proper operation of the transmission
19 facility, that—

20 “(A) operates at or above a voltage of 345
21 kilovolts AC or DC;

22 “(B) is a renewable feeder line; or

23 “(C) is a necessary upgrade to an existing
24 transmission facility.

25 “(5) RENEWABLE FEEDER LINE.—

1 “(A) IN GENERAL.—The term ‘renewable
2 feeder line’ means a transmission line that—

3 “(i) operates at a voltage of 100 kilo-
4 volts or greater, and

5 “(ii) is identified in the applicable
6 STG plan as a facility that connects 1 or
7 more renewable energy generators directly
8 or indirectly to transmission facilities de-
9 scribed in paragraph (4)(A).

10 “(B) INCLUSION.—The term ‘renewable
11 feeder line’ includes an upgrade to an existing
12 transmission line necessary for interconnection
13 to a new transmission line described in sub-
14 paragraph (A).

15 “(6) STG COSTS.—The term ‘STG costs’
16 means capital and operating costs incurred by any
17 entity for planning, development, and operation of a
18 project certificated under subsection (d).

19 “(7) LOAD-SERVING ENTITY.—The term ‘load-
20 serving entity’ means a person or Federal, State, or
21 local instrumentality (including an entity described
22 in section 201(f)) that delivers electric energy to
23 end-use customers.

24 “(8) MULTISTATE TRANSMISSION AUTHOR-
25 ITY.—The terms ‘Multistate Transmission Author-

1 ity’ and ‘MTA’ mean a multistate transmission plan-
2 ning organization established pursuant to subsection
3 (b).

4 “(9) RENEWABLE ENERGY.—The term ‘renew-
5 able energy’ means electric energy generated from—

6 “(A) solar energy, wind, landfill gas, re-
7 newable biogas, or geothermal energy;

8 “(B) new hydroelectric generation capacity
9 achieved from increased efficiency, or an addi-
10 tion of new capacity, at an existing nonhydro-
11 electric project if—

12 “(i) the hydroelectric project installed
13 on the nonhydroelectric dam—

14 “(I) is licensed by the Commis-
15 sion; and

16 “(II) meets all other applicable
17 environmental, licensing, and regu-
18 latory requirements, including applica-
19 ble fish passage requirements;

20 “(ii) the nonhydroelectric dam—

21 “(I) was placed in service before
22 the date of enactment of the National
23 Clean Energy Superhighways Act of
24 2009;

1 “(II) was operated for flood con-
2 trol, navigation, or water supply pur-
3 poses; and

4 “(III) did not produce hydro-
5 electric power as of the date of enact-
6 ment of the National Clean Energy
7 Superhighways Act of 2009; and

8 “(iii) the hydroelectric project is oper-
9 ated so that the water surface elevation at
10 any given location and time that would
11 have occurred in the absence of the hydro-
12 electric project is maintained, subject to
13 any license requirements imposed under
14 applicable law that change the water sur-
15 face elevation for the purpose of improving
16 the environmental quality of the affected
17 waterway, as certified by the Commission;
18 “(C) hydrokinetic energy, including—

19 “(i) waves, tides, and currents in
20 oceans, estuaries, and tidal areas;

21 “(ii) free-flowing water in rivers,
22 lakes, and streams;

23 “(iii) free-flowing water in man-made
24 channels, including projects that use non-
25 mechanical structures to accelerate the

1 flow of water for electric power production
2 purposes; or

3 “(iv) differentials in ocean tempera-
4 ture through ocean thermal energy conver-
5 sion; or

6 “(D) electricity that is generated from the
7 combustion of the biogenic portion of municipal
8 solid waste materials from facilities that comply
9 with the maximum pollutant emissions stand-
10 ards established by the Administrator of the
11 Environmental Protection Agency.

12 “(b) PLANNING BY MULTISTATE TRANSMISSION AU-
13 THORITIES.—

14 “(1) ESTABLISHMENT OF MTAS.—

15 “(A) AUTHORITY TO ESTABLISH.—The
16 Congress hereby authorizes the States com-
17 prising the Eastern interconnection and the
18 States comprising the Western interconnection
19 to establish, in accordance with rules estab-
20 lished under subparagraph (B), one or more
21 interconnection-wide multistate transmission
22 planning authorities (‘MTAs’), within the East-
23 ern and Western interconnections, respectively.
24 Such States may establish an MTA by agree-

1 ment of the States comprising the region con-
2 cerned.

3 “(B) REQUIREMENTS FOR CERTIFICATION
4 OF MTA.—The Commission shall, by rule pro-
5 mulgated within 180 days after the date of en-
6 actment of this section, specify appropriate or-
7 ganizational and procedural requirements for
8 the MTAs established under this section, in-
9 cluding each of the following:

10 “(i) A governance structure that en-
11 sures that each State in the interconnec-
12 tion will be represented on the MTA.

13 “(ii) An open, transparent, and
14 participatory STG planning process, in-
15 cluding public hearings, that furthers the
16 purposes of this section and solicits input
17 from load-serving entities, Federal trans-
18 mitting utilities, transmission owners, re-
19 gional transmission organizations, inde-
20 pendent system operators, State energy,
21 environment, natural resources, and land
22 management agencies and commissions,
23 Indian tribes, electricity generators, pro-
24 spective developers of new transmission

1 and generation resources, regional reli-
2 ability organizations, and the public.

3 “(iii) A requirement that the MTA
4 will have the capability of exercising STG
5 planning functions for the entire inter-
6 connection, including identifying acceptable
7 corridors for planned transmission projects
8 based on the planning process described in
9 paragraph (3).

10 “(iv) A mechanism that assures that
11 the MTA will have adequate resources
12 available to undertake its planning activi-
13 ties (taking into account amounts made
14 available pursuant to paragraph (8), which
15 may include imposition of a reasonable
16 charge on load-serving entities in the inter-
17 connection.

18 “(v) Such other requirements as it de-
19 termines necessary to assure that each
20 MTA is capable of undertaking the plan-
21 ning described in paragraphs (3) and (4)
22 for the region concerned.

23 “(2) CERTIFICATION OF MTA.—The Commis-
24 sion shall, by rule, establish procedures governing
25 submission and consideration of applications for cer-

1 tification of an MTA within a region. The final rule
2 establishing such procedures shall be issued within
3 180 days of the date of enactment of this section.
4 The Commission shall certify an MTA upon applica-
5 tion if it finds that the application satisfies such
6 procedures and the requirements established pursu-
7 ant to paragraph (1).

8 “(3) MTA PLANNING FUNCTIONS.—

9 “(A) DEVELOPMENT OF BIENNIAL STG
10 PLAN.—Each MTA shall exercise STG trans-
11 mission planning functions for its respective re-
12 gion and produce a biennial STG transmission
13 plan. The STG plan shall identify needed STG
14 projects. In assessing need for STG projects,
15 the MTA shall take into consideration—

16 “(i) transmission infrastructure re-
17 quired for efficient and reliable delivery of
18 the output of new renewable generation re-
19 sources needed to satisfy State and Fed-
20 eral renewable energy policies and targets;

21 “(ii) changes in generation patterns
22 expected to result from greenhouse gas
23 emission policy;

24 “(iii) changes in demand expected to
25 result from energy efficiency, distributed

1 generation, energy storage, and demand-
2 side management programs;

3 “(iv) opportunities for grid upgrades
4 to enhance grid reliability, security, and ef-
5 ficiency on the existing transmission sys-
6 tem;

7 “(v) areas listed under paragraph (C);
8 and

9 “(vi) other relevant factors.

10 In developing the STG plan for an interconnec-
11 tion, the MTA shall build on planning under-
12 taken by the Commission, regions, States, Fed-
13 eral transmitting utilities, regional transmission
14 organizations, load-serving entities, independent
15 system operators, utilities, regional reliability
16 entities, and other parties in the interconnec-
17 tion; and cooperate and coordinate across re-
18 gions to harmonize regional electric grid plan-
19 ning with planning in adjacent or overlapping
20 jurisdictions, to the maximum extent feasible.

21 “(B) INTERIM PLANNING DECISIONS.—The
22 MTA shall maintain a process for expeditiously
23 evaluating whether new renewable feeder lines
24 proposed between the 2-year planning cycles
25 should be added to the approved STG plan.

1 “(C) AREAS TO AVOID.—MTA planning
2 shall identify (in consultation with Federal and
3 State land agencies, environmental groups, and
4 Indian tribes) appropriate areas to be avoided
5 in siting of STG projects, to the maximum ex-
6 tent practicable, including—

7 “(i) national parks, national marine
8 sanctuaries, reserves, recreation areas, and
9 other similar units of the National Park
10 System;

11 “(ii) designated wilderness, designated
12 wilderness study areas, and other areas
13 managed for wilderness characteristics;

14 “(iii) national historic sites and his-
15 toric parks;

16 “(iv) inventoried roadless areas and
17 significant noninventoried roadless areas
18 within the National Forest System;

19 “(v) national monuments;

20 “(vi) national conservation areas;

21 “(vii) national wildlife refuges and
22 areas of critical environmental concern;

23 “(viii) national historic and national
24 scenic trails;

1 “(ix) areas designated as critical habi-
2 tat;

3 “(x) national wild, scenic, and rec-
4 reational rivers;

5 “(xi) any area in which Federal law
6 prohibits energy development; and

7 “(xii) any area in which applicable
8 State law or Indian tribal code enacted
9 prior to the date of enactment of this Act
10 prohibits transmission development.

11 “(4) COORDINATION.—Each MTA shall, in the
12 development of its STG plan, coordinate as appro-
13 priate with planning authorities and other interested
14 parties in Canada, Mexico, ERCOT, and the other
15 interconnection.

16 “(5) SUBMISSION AND REVIEW OF PLANS.—(A)
17 Each MTA shall submit to the Commission an initial
18 STG plan within 1 year of the certification of the
19 MTA. Each MTA shall submit an update to its STG
20 plan not later than 2 years after submission of the
21 initial plan and every 2 years thereafter.

22 “(B)(i) The Commission shall provide an oppor-
23 tunity for public comment on each plan submitted by
24 an MTA.

1 “(ii) The Commission may modify or reject a
2 plan as necessary to achieve the purposes of this sec-
3 tion. If the Commission modifies or rejects a plan,
4 not later than 90 days after the date the plan is
5 submitted by the MTA, the Commission shall pro-
6 vide a written opinion to the MTA that contains the
7 facts and reasons supporting the action of the Com-
8 mission.

9 “(iii) If the Commission rejects a plan, the
10 MTA may submit a revised plan within 90 days of
11 the Commission’s rejection.

12 “(iv) If the Commission determines that a plan
13 meets the purposes of this section, the Commission
14 shall be treated as accepted.

15 “(6) BACKUP COMMISSION PLANNING AUTHOR-
16 ITY.—In the event that no MTA for the Eastern or
17 Western Interconnection is certified by the Commis-
18 sion within 1 year of the date of enactment of this
19 section, or in the event that a certified MTA does
20 not timely submit an initial plan or updated plan as
21 required under paragraph (5), the Commission shall
22 immediately undertake the planning activities de-
23 scribed in paragraphs (3) and (4) and develop a plan
24 for such interconnection within 1 year of initiating

1 such planning activities, in consultation with all af-
2 fected States within the region, as appropriate.

3 “(7) MULTIPLE MTAS.—

4 “(A) IN GENERAL.—Notwithstanding para-
5 graph (6), if more than 1 MTA is certified in
6 an Interconnection, the MTA shall ensure that
7 the submitted plan integrates with the other
8 plans in the Interconnection.

9 “(B) MODIFICATION.—The Commission
10 shall modify the plans submitted under para-
11 graph (5), as necessary, to ensure that plans
12 established under this section are integrated.

13 “(C) BACKUP PLANNING FOR MULTIPLE
14 MTAS.—In the event that any State or group of
15 States does not participate in a certified MTA
16 process, the Commission shall assume planning
17 responsibilities on behalf of such State or group
18 of States, consistent with the authorities under
19 paragraph (6).

20 “(8) RECOVERY OF COSTS ASSOCIATED WITH
21 INTERCONNECTION-WIDE STG PLANNING.—

22 “(A) IN GENERAL.—An MTA and a par-
23 ticipating State shall be permitted to recover
24 prudently incurred costs to carry out the plan-
25 ning activities required under this subsection

1 pursuant to a Federal transmission surcharge
2 that shall be established by the Commission in
3 accordance with this paragraph for the pur-
4 poses of carrying out this section.

5 “(B) SURCHARGE PROPOSALS.—An MTA
6 shall—

7 “(i) propose a Federal transmission
8 surcharge based on a formula rate that is
9 submitted to the Commission for approval;
10 and

11 “(ii) adjust the formula and surcharge
12 on an annual basis.

13 “(C) COST RESPONSIBILITY.—Cost respon-
14 sibility under each surcharge shall be assigned
15 based on energy usage to all load-serving enti-
16 ties covered by the MTA.

17 “(D) LIMITATION.—The total amount of
18 surcharges that may be imposed or collected na-
19 tionally under this paragraph shall not exceed
20 \$80,000,000 for any calendar year.

21 “(e) COST ALLOCATION.—

22 “(1) PURPOSES.—The purposes of this sub-
23 section are—

24 “(A) to ensure that the costs of STG
25 projects are borne widely by all beneficiaries of

1 new transmission and are not borne dispropor-
2 tionately by ratepayers or generators in specific
3 areas; and

4 “(B) to promote the national interest in an
5 STG project in accordance with the purposes of
6 this section.

7 “(2) SUBMISSION.—In conjunction with the
8 submission of a transmission plan under subsection
9 (b)(5), all MTAs within an Interconnection may sub-
10 mit jointly a single integrated Interconnection-wide
11 cost allocation methodology to the Commission for
12 allocating the STG costs under this section.

13 “(3) ACTION BY COMMISSION.—Not later than
14 120 days after the date of receipt of a proposed cost
15 allocation methodology submitted under paragraph
16 (2), the Commission shall—

17 “(A) provide notice and an opportunity for
18 a hearing;

19 “(B) evaluate the proposal; and

20 “(C)(i) approve the proposal if the Com-
21 mission finds that the proposed cost allocation
22 would result in just and reasonable rates that
23 promote the purposes of this section (including
24 this subsection); or

“(ii) reject or modify the proposed cost allocation if the Commission finds that the proposed cost allocation does not result in just and reasonable rates that promote the purposes of this section (including this subsection).

“(4) RESUBMISSION.—

“(A) IN GENERAL.—If the Commission rejects the proposed cost allocation plan under paragraph (3)(C)(ii), the Commission shall specify the basis for its findings that the proposed methodology would not result in just and reasonable rates that promote the purposes of this subsection.

“(B) RESUBMISSION.—Not later than 90 days after the date of the rejection, the MTAs may submit to the Commission a revised cost allocation methodology for the interconnection under this subsection.

“(C) MODIFICATIONS.—

“(i) IN GENERAL.—Not later than 90 days after the date of resubmission of a proposed cost allocation methodology the Commission shall approve, modify, or reject the resubmitted proposal as necessary to achieve the purposes of this section.

1 “(ii) OPINION.—If the Commission
2 modifies or rejects a resubmitted proposal,
3 the Commission shall specify the basis for
4 its findings that the proposed methodology
5 would not result in just and reasonable
6 rates that promote the purposes of this
7 section.

8 “(5) COMMISSION ALLOCATION OF COSTS.—If
9 the MTAs do not submit an Interconnection-wide
10 cost allocation plan within the time periods specified
11 in paragraphs (2) and (4) or if the Commission does
12 not approve a cost allocation methodology submitted
13 by the MTA for an Interconnection, the Commission
14 shall allocate the STG costs to all of the load-serving
15 entities in the Interconnection on a load-ratio share
16 basis.

17 “(6) COST ALLOCATION RATE FILINGS.—If a
18 cost allocation methodology is approved by the Com-
19 mission in accordance with this subsection—

20 “(A) any public utility that has rates that
21 are affected by the approved cost allocation
22 methodology shall file the allocation method-
23 ology with the Commission pursuant to section
24 205; and

1 “(B) the cost allocation methodology shall
2 be presumed lawful under section 205 on filing,
3 without notice or further opportunity for com-
4 ment or hearing.

5 “(7) APPLICABILITY.—

6 “(A) IN GENERAL.—Except as provided in
7 subparagraph (C), the authority of the Commis-
8 sion under subsections (b) and (c) to approve
9 transmission plans and to allocate costs in-
10 curred pursuant to the plans applies to all
11 transmission providers, generators, and users,
12 owners, and operators of the power system
13 within the Eastern and Western Interconnec-
14 tions of the United States, including entities de-
15 scribed in section 201(f).

16 “(B) REGIONAL PLANNING ENTITIES.—
17 The Commission shall have authority over re-
18 gional planning entities to the extent necessary
19 to carry out subsections (b) and (c).

20 “(C) EXCLUSIONS.—(i) This subsection
21 does not apply in the State of Alaska or Hawaii
22 or to the ERCOT, unless the State or ERCOT
23 voluntarily elects to participate in a cost alloca-
24 tion methodology under this section.

1 “(ii) A project for which a cost allocation
 2 or cost recovery agreement was accepted by the
 3 Commission before the date of enactment of
 4 this part shall not be included in cost allocation
 5 under this section.

6 “(D) CREDIT FOR REVENUES.—Trans-
 7 mission revenues shall be applied as a credit to
 8 the initial allocation of STG costs.

9 “(d) CERTIFICATION AND SITING OF STG
 10 PROJECTS.—

11 “(1) CERTIFICATE OF PUBLIC CONVENIENCE
 12 AND NECESSITY.—

13 “(A) REQUIREMENT OF CERTIFICATE.—
 14 No public utility, or person which will be a pub-
 15 lic utility upon completion of any proposed ac-
 16 tion, shall—

17 “(i) construct any STG project, or
 18 “(ii) modify an STG project pre-
 19 viously certificated under this subsection,
 20 unless there is in force with respect to such
 21 public utility a certificate of public convenience
 22 and necessity issued by the Commission author-
 23 izing such acts or operation.

24 “(B) ELECTIVE COVERAGE.—If any entity
 25 described in section 201(f) proposes to con-

1 struct an STG project, such entity may elect, in
2 such manner as the Commission may prescribe
3 by rule, to have this subsection apply to such
4 project.

5 “(2) APPLICATION FOR CERTIFICATE.—(A) Any
6 person seeking to construct an STG project identi-
7 fied by an MTA may apply to the Commission for
8 a certificate of public convenience and necessity for
9 that project.

10 “(B) Application for a certificate under this
11 subsection shall be made in writing to the Commis-
12 sion, and shall be in such form, contain such infor-
13 mation, and notice thereof shall be served upon such
14 interested parties (including State Commissions), in
15 such manner as the Commission shall, by rule, re-
16 quire. The Commission shall set the matter for hear-
17 ing and shall give notice of the hearing to interested
18 persons. The Commission shall approve or deny the
19 application in accordance with the procedure pro-
20 vided in paragraph (3).

21 “(3) GRANT OF CERTIFICATE.—The Commis-
22 sion may approve or deny a certificate under this
23 subsection for construction of an STG project. A
24 certificate issued under this subsection shall author-
25 ize the whole or any part of the operation, construc-

1 tion, acquisition, or modification covered by the ap-
2 plication. The Commission shall issue the certificate
3 if the Commission finds that the applicant is able
4 and willing properly to do the acts and to perform
5 the service proposed and to conform to the provi-
6 sions of this Act and rules of the Commission here-
7 under, and that the proposed operation, construc-
8 tion, acquisition, or modification, to the extent au-
9 thorized by the certificate, is or will be required by
10 the present or future public convenience and neces-
11 sity. In evaluating certificate applications that fea-
12 ture joint ownership projects by multiple load-serv-
13 ing or wholesale entities, the Commission shall con-
14 sider benefits from the greater diversification of fi-
15 nancial risk inherent in the applications. The Com-
16 mission shall have the power to attach to the
17 issuance of the certificate, and to the exercise of the
18 rights granted thereunder, such reasonable terms
19 and conditions as the public convenience and neces-
20 sity may require. Designation of an STG project in
21 the STG plan shall constitute sufficient evidence
22 that a public need exists for the project.

23 “(4) STATE RECOMMENDATIONS ON RESOURCE
24 PROTECTION AND ROUTING.—(A) In order to pro-
25 tect, and mitigate damages to, natural resources af-

1 fected by the development and operation of an STG
2 project, each certificate issued under this subsection
3 shall include conditions for such protection or miti-
4 gation, including recommendations related to project
5 routing. Subject to subparagraph (B), such condi-
6 tions shall be based on recommendations received
7 from State environment, land management, and nat-
8 ural resource agencies.

9 “(B) Whenever the Commission believes that
10 any recommendation referred to in subparagraph
11 (A) may be inconsistent with the purposes and re-
12 quirements of this Act or other applicable law, the
13 Commission and the agencies referred to in subpara-
14 graph (A) shall attempt to resolve any such incon-
15 sistency, giving due weight to the recommendations,
16 expertise, and statutory responsibilities of such
17 agencies. If, after such attempt, the Commission
18 does not adopt in whole or in part a recommenda-
19 tion of any such agency, the Commission shall pub-
20 lish in the Federal Register each of the following
21 findings (together with a statement of the basis for
22 each of the findings):

23 “(i) A finding that adoption of such rec-
24 ommendation is inconsistent with the purposes

1 and requirements of this Act or with other ap-
2 plicable provisions of law.

3 “(ii) A finding that the conditions selected
4 by the Commission comply with the require-
5 ments of the first sentence of subparagraph
6 (A).

7 “(5) EMISSIONS STANDARD FOR INTERCONNEC-
8 TION.—

9 “(A) RULE.—Any certificate issued under
10 paragraph (3) for construction of an STG
11 transmission line described in subsection (a)(4)
12 (A) or (B) shall incorporate a condition that
13 prohibits the direct interconnection to the STG
14 transmission line by any electricity generator
15 that has a greenhouse gas emission rate (in
16 tons of CO₂ equivalent per megawatt-hour)
17 greater than that of a single-cycle natural gas-
18 fired combustion turbine, as determined by rule
19 by the Commission.

20 “(B) SUNSET.—Any certificate conditions
21 adopted pursuant to subparagraph (A) shall be-
22 come inapplicable upon the full implementation
23 of a Federal greenhouse gas regulatory program
24 applicable to the electricity sector.

1 “(6) RIGHT OF EMINENT DOMAIN.—When any
2 holder of a certificate issued under paragraph (3)
3 cannot acquire by contract, or is unable to agree
4 with the owner of property on the compensation to
5 be paid for, the necessary right-of-way to construct,
6 operate, and maintain the project to which the cer-
7 tificate relates, and the necessary land or other
8 property necessary to the proper operation of such
9 project, it may acquire the same by the exercise of
10 the right of eminent domain in the district court of
11 the United States for the district in which such
12 property may be located, or in the State courts. The
13 practice and procedure in any action or proceeding
14 for that purpose in the district court of the United
15 States shall conform as nearly as may be with the
16 practice and procedure in similar action or pro-
17 ceeding in the courts of the State where the property
18 is situated. Nothing in this section shall be con-
19 strued to allow the holder of a certificate under
20 paragraph (3), or any other person or entity, to ac-
21 quire by the exercise of eminent domain any prop-
22 erty that constitutes ‘Indian country’ under section
23 1151 of title 18, United States Code, or that is oth-
24 erwise subject to a Federal restriction against alien-
25 ation, without the express written consent of the ap-

1 applicable Indian tribe, tribal organization, and/or In-
2 dian landowner.

3 “(7) APPLICABILITY OF SECTION 216.—The
4 provisions of section 216(h) and section 216(j) shall
5 apply to each STG project for which a certificate is
6 issued under this section in the same manner and to
7 the same extent as those provisions apply to projects
8 covered by section 216. Except for section 216(h)
9 and section 216(j), section 216 shall not apply to
10 any new STG project to which paragraph (1)(A) of
11 this subsection applies, or to any project as to which
12 an election has been made under paragraph (1)(B).

13 “(8) FEDERAL AGENCY COORDINATION.—

14 “(A) RIGHTS-OF-WAY ON FEDERAL
15 LANDS.—With respect to any STG project, the
16 functions under section 216(h) of this Act of
17 the Department of Energy and the Secretary of
18 Energy shall be exercised by the Commission in
19 coordination with the affected land management
20 agency.

21 “(B) NEPA REVIEW.—With respect to any
22 STG project, the Commission shall be the lead
23 Federal agency for purposes of Federal environ-
24 mental review and, in consultation with affected
25 agencies, shall prepare a single environmental

1 review document that would be used as the
2 basis for all decisions under Federal law related
3 to the proposed project.

4 “(e) LONG-TERM TRANSMISSION RIGHTS FOR RE-
5 NEWABLE ELECTRICITY GENERATORS.—(1) It is the pol-
6 icy of the United States that long-term transmission
7 rights, of firmness and duration sufficient to support gen-
8 eration investment (including project financing for new
9 generation projects), shall be made available on reasonable
10 terms and at reasonable cost to entities seeking to con-
11 struct new generation facilities using renewable energy
12 technologies.

13 “(2) The Commission shall exercise its authority
14 under this Act to prescribe such rules as it determines
15 necessary or appropriate to implement the policy estab-
16 lished in paragraph (1) not later than 1 year after the
17 date of enactment of this section, and may revise such
18 rules from time to time. Such rules shall not interfere with
19 existing long-term transmission rights of load-serving enti-
20 ties, or native load requirements established in section
21 217.

22 “(f) COORDINATED REGIONAL GRID OPERATIONS.—
23 The Commission shall encourage methods and structures
24 for grid operations to better accommodate renewable en-
25 ergy resources, including enhanced balancing arrange-

1 ments among balancing areas, expedited scheduling and
 2 dispatch, and improved renewable energy output fore-
 3 casting.

4 “(g) PERIODIC REVIEW.—The Commission shall pe-
 5 riodically evaluate whether STG projects identified in
 6 interconnection-wide STG plans are being timely con-
 7 structed, and shall take such actions as are in its authority
 8 to address any identified obstacles to investment and con-
 9 struction, and shall make any recommendations to Con-
 10 gress on further action or authority needed to assure de-
 11 velopment of planned STG facilities.

12 “(h) GEOGRAPHIC SCOPE.—This section applies to
 13 the contiguous States and the District of Columbia, ex-
 14 cluding the area referred to in section 212(k)(2)(A).”.

15 (b) CONFORMING AMENDMENT.—Section 201(b) of
 16 the Federal Power Act (16 U.S.C. 824) is amended by
 17 inserting “216A” after “216” in each place it appears.

18 **SEC. 102. FEDERAL FINANCIAL ASSISTANCE TO**
 19 **MULTISTATE TRANSMISSION AUTHORITIES.**

20 There are authorized to be appropriated to the Sec-
 21 retary of Energy, such sums as may be necessary to pro-
 22 vide financial assistance for the establishment and oper-
 23 ation of multistate transmission authorities under sections
 24 216A(c) of the Federal Power Act.

1 **TITLE II—MISCELLANEOUS**
2 **PROVISIONS**

3 **SEC. 201. TRANSMISSION GRID PERFORMANCE STAND-**
4 **ARDS.**

5 For purposes of evaluating whether smart grid tech-
6 nology requirements for monitoring and control of new
7 transmission facilities, smart grid technology retrofit re-
8 quirements for monitoring and control of existing trans-
9 mission facilities, or transmission grid performance re-
10 quirements are in the public interest, the Secretary of En-
11 ergy, after consultation with the Federal Energy Regu-
12 latory Commission, shall conduct an analysis and make
13 recommendations on appropriate metrics for transmission
14 grid performance covering both new and existing trans-
15 mission grid facilities. This report shall be submitted to
16 Congress within 1 year of the date of enactment of this
17 Act.

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